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Federal SCHIP Expansion Offers Opportunity to Extend Coverage *About 8,000 Kansas Children Could Benefit*

(TOPEKA) – More than 39,000 Kansas children will continue receiving health care coverage under the State Children’s Health Insurance Program (SCHIP), thanks to today’s passage of federal legislation reauthorizing the program. In addition, provisions of the bill that authorize states to expand eligibility for the program could extend coverage to another 8,000 Kansas children by Fiscal Year 2015, if the Kansas Legislature approves funding for such an expansion.

Background: SCHIP was established in 1997 to provide health insurance to children in low-income families that do not have private insurance and do not qualify for Medicaid. Currently in Kansas, SCHIP offers coverage for children in families with incomes up to 200 percent of the federal poverty level (\$35,200 per year for a family of three). The federal government pays 72 percent of the cost in Kansas, up to a defined limit. The state pays the remaining 28 percent, plus any amount above the federal allotment. Before today’s action in Washington, SCHIP was set to expire in March.

In 2008, Kansas lawmakers approved expanding eligibility for the program up to 225 percent of FPL starting Jan. 1, and then to 250 percent of FPL beginning Jan. 1, 2010. That expansion, however, was conditioned on increased federal funding, and appropriation of additional state funds. Today’s action in Washington now makes it possible to implement that expansion, if the governor and legislature decide to do so.

In December 2008 (the most recent data available), there were 39,483 children enrolled in SCHIP in Kansas.

The Kansas Health Policy Authority estimates that expanding SCHIP to 250 percent of FPL would bring 2,125 children into the program in State Fiscal Year 2010. That would grow to 5,390 additional children in SFY 2011, and about 8,000 children by SFY 2015. KHPA estimates that would cost about \$1 million in additional state general fund money in SFY 2010, and \$2 million in SFY 2011.

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“The Kansas Legislature authorized this expansion during the 2008 session,” said KHPA Executive Director Marcia Nielsen. “Clearly, however, the economic and fiscal condition of Kansas has changed since then. While more families now find themselves in need of help to keep their children covered by insurance, the state has fewer resources available to make that happen. We look forward to serving as a resource for the governor and legislature as they decide how to move forward on this important policy decision.”